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*Division of Ratepayer Advocates
California Public Utilities Commission*

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Dana S. Appling, Director

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Honorable Richard Alarcon
State Capitol, Room 4035
Sacramento, CA 95814

RE: SB 1816 (Alarcon) Support

Dear Senator Alarcon:

The Division of Ratepayer Advocates supports your SB 1816, which would require the California Public Utilities Commission, in consultation with the Low-Income Oversight Board and the gas and electrical corporations that participate in the California Alternate Rates for Energy program (CARE), to establish a program to annually replace 50,000 old gas furnaces for eligible low-income customers. The program would be in effect from July 1, 2007 and until December 31, 2013 and would be funded through the natural gas and electricity public goods charges.

As you know, the Low-Income Energy Efficiency Program (LIEE) already provides no-cost weatherization services to eligible low-income households that include energy efficient furnace replacement or repair.

Your bill would augment the LIEE program efforts, establishing an ambitious goal to annually replace 50,000 old and inefficient gas furnaces with newer gas furnaces that are energy efficient, non-polluting, and safer, which in addition to other benefits will minimize the impact of high gas bills on low-income customers during the winter months. The Division of Ratepayer Advocates supports your bill and looks forward to working with you to pass this important legislation.

If you have any questions or would like to discuss this matter further, please call Matthew Marcus our Legislative Director at (916) 327-3455 or me at (415) 703-2544.

Sincerely,

Dana S. Appling, Director
Division of Ratepayer Advocates